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Antonio Gill



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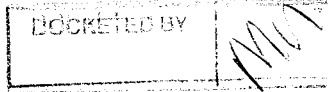
W-01303A-09-0343
SW-01303A-09-0343

From: FRED W. SCHENCK [fws4taa@aztecfree.net.org]
Sent: Friday, November 13, 2009 1:31 PM
To: Pierce-Web
Subject: Water Rate Increase

Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2009 NOV 13 P 4:26

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Reply-To: fws4taa@aztecfree.net.org

Dear Commissioner Pierce:

I am concerned about the large rate increase requested by Arizona-American Water Company (Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343. Since moving to Sun City in 1992, the Consumer Price Index has increased 2.7% annually while our combined Social Security has gained about 2% a year (Medicare grows faster than COLA). Our unit cost of electricity has grown about 0.7% annually, thanks in part to the Corporation Commission's tight rein on APS and to APS's rate structure that rewards conservation, especially during the day.

Water rates have not done as well, with the cost of 1,000 gallons rising about 5% per year. Conserving water (we have reduced our consumption by nearly 4% per year by removing thirsty plantings, keeping our pool covered at night, etc.) doesn't help much since their rate structure doesn't reward conservation as much as APS. And now the Arizona-American Water Company wants to raise water rates by 27.7% and wastewater by 40.8% at a time when COLA is zero.

It doesn't seem right that the Arizona-American Water Company can increase their unit product cost SEVEN TIMES faster than APS over the last two decades and now ask for another 33% permanent increase. I hope that you will examine their request very carefully, especially

in light of their unit product cost having risen nearly twice as fast as the CPI-U in the past.

Sincerely,

Fred and Carol Ann Schenck
20014 N Lakeforest Drive
Sun City, AZ 85373